

GROUP LIFE ASSURANCE

How it Works Product Guide Running the Policy

Guide to making changes to a Policy

Important information

If a change is required to the Policy, we should be:

- contacted in advance, in writing, of the change required
- provided with clear details of the change in writing

We will not backdate any amendments to the Policy.

Provided we have received a written request prior to the date the change is required, we will normally make the changes from that date, if the change is acceptable to us.

Please note that there are circumstances where we may amend the terms of the Policy. See document **How is the cost calculated** for further information.

Terminology used

Evidence of Insurability

Any documentary or medical evidence that we may reasonably require to include someone for benefits in the Policy.

Actively at Work

Means an employee:

- is present at their place of work
- has not received any medical advice to refrain from work
- is mentally and physically capable of fully performing the normal regular duties associated with the job they are engaged to do
- is working their normal contracted number of hours, either at their normal place of business or at a place that the business requires

Membership data

This means full details of the individuals to be insured i.e. gender, date of birth, salary, occupation, category of cover, postcode of normal place of work.

See **What is needed to provide a quote?** for further information.

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Canada Life
Group Insurance

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Types of changes

Our classification

We currently classify the type of changes as follows:

- administration
- Policy
- Policy re-writes and hive off Policies
- risk amendment

Administration changes

Our liabilities do not change however, the cost involved in providing cover may alter. Examples are changing the:

- annual revision date
- method of paying premiums
- premium payment frequency
- level of commission paid

Appendix 1 gives more detail about this type of change.

Policy changes

Our liabilities and the cost involved in providing cover are not expected to change. Examples are:

- changes to the discretionary trust which holds the liabilities insured by the Policy
- change to the principal employer named in the trust
- changing the name of the scheme
- change in name or registered address of any of the companies insured, including the principal employer named in the trust

Appendix 2 gives more detail about this type of change.

Policy re-writes and hive off Policies

The insurance is currently provided through an existing Canada Life Policy, but a new, replacement or additional Policy is required. Reasons why we may need to set up another Policy are as follows:

- an additional Policy is required in order for us to provide separate accounts
- a new trust has been executed which will hold liabilities in addition to the existing trust, this could happen for a number of different reasons
- a change in a **Change of Policyholder** form cannot be fully completed. This is commonly known as a re-write

Appendix 3 gives more detail about this type of change.

Risk amendment

Our liabilities may change immediately or at some point in the future. These changes can have cost implications but will be advised as part of our confirmation process. Examples are:

- changes to the level of benefit insured or amending the definition of earnings used in the calculation of the benefit
- adding or removing groups of employees (including TUPE transfers, companies or organisations) to or from the Policy
- the postcode of any company's or individual's normal place of work changes
- changing the minimum/maximum entry age or minimum service requirement for cover to commence
- changing the age on which cover ceases
- continuing the cover provided for those who are made redundant or retire early
- adding Lump Sum or Death in Service Benefits on to an existing Policy
- adding cover for children and/or orphans to a death in service pension
- amending the level of escalation for a death in service pension

Appendix 4 gives more detail about this type of change.

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What we do when asked to make changes to a Policy

Assessment process

We will consider:

- whether we understand the change requested
- are we legally able to make the change?
- do we want to allow the change?
- what are the immediate risks?
- what is the impact on the cost?

Understanding the change requested

We need to fully understand the change being requested before we can move on to the next stage of our process.

We will seek further information if required to gain this understanding. Once fully understood, we will look to categorise the change.

Are we legally able to make the change?

Current legislation will always be considered to ensure our Policy remains compliant.

Do we want to allow the change?

We will assess the requested change to decide whether it fits within our current risk strategies and limits. If the request falls outside of these, we will assess whether this can be extended in order to accommodate the change.

What are the immediate risks?

Our concern is whether we are being asked to change the Policy because it is known by the policyholder that a claim is likely to occur in the near future.

We review the additional exposure in order to determine how any immediate risks can be reduced or eliminated. For many changes, this is achieved through requesting evidence of insurability (see page 1) appropriate to that change.

The determining factors involved in the evidence of insurability (see page 1) requested are the number of individuals affected by the requested change and the additional risk to us.

Evidence of insurability (see page 1) which may be requested, but not limited to:

- medical underwriting
- satisfying our actively at work (see page 1) conditions (these conditions may vary)

What is the impact on the cost of cover?

The change requested may have an effect on the probability of a claim occurring or the expected level of claim payment.

It may be necessary to review the premium rates being charged on the Policy to understand whether the current premiums are sufficient to provide the amended cover.



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What we do when asked to make changes to a Policy (continued)

Confirming risk

Once we have completed our assessment we will confirm whether we are willing to amend the Policy as requested. If we make the change, we will confirm in writing:

- the date we will amend the Policy
- any requirements we have and any other actions we need to carry out
- possible impacts on Policy terms and conditions
- what documentation and/or literature will be updated/issued

Date we will amend the Policy

Provided the change is acceptable to us and we receive the written request prior to the date the amendment is required, we will normally make the alteration from that date.

Requirements to make the change and any other actions we need to carry out

This may include:

- evidence of insurability (see page 1) required, including any forms which need to be completed
- information about those insured. This could amount to full data so that rates can be reviewed, or the benefits insured for accounting purposes. See **What is needed to provide a quote?** for further information
- additional deposit premiums required in order to implement the change

Impact on Policy terms and conditions

We will confirm the terms and conditions which may be introduced or altered as a result of the change; e.g. **Claim payment limitations due to a catastrophe.**

If these updated terms cannot be provided immediately we will confirm what documentation/literature will need to be updated, e.g. Policy Particulars and Policy Conditions.

Contact us



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Our forms are available to download from our website: www.canadalife.co.uk/group

Canada Life Limited, registered in England no. 973271. Registered Office: Canada Life Place, Potters Bar, Hertfordshire EN6 5BA. CLFIS (UK) Limited, registered in England no. 04356028 is an associate company of Canada Life Limited. Registered Office: Canada Life Place, Potters Bar, Hertfordshire EN6 5BA. Canada Life Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

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Appendix 1 – Administration changes

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
Amend annual revision date	Written request	<ul style="list-style-type: none"> Additional deposit premium Evidence of insurability (see page 1) if increases in benefit occur because these are only allowed at the annual revision date Up to date membership data (see page 1) so accounts can be issued 	Possibly	✓	✓	<p>Amending accounts will be dependent on the revised annual renewal date and the period of the last account issued.</p> <p>Rates may need to be reviewed if the number of lives or benefits insured change by more than 25%.</p>
Amend method of paying premiums	Written request	<ul style="list-style-type: none"> Completion of Direct Debit Mandate if this is the method to be used Up to date membership data (see page 1) so accounts can be issued 	✓	✓	✓	<p>Premiums may increase or decrease and rates may need to be reviewed if the number of lives or benefits insured change by more than 25%.</p> <p>If the change is made on the annual revision date, membership data will be required as standard.</p>
Amend frequency of paying premiums	Written request	<ul style="list-style-type: none"> Additional deposit premium or completion of Direct Debit Mandate Up to date membership data (see page 1) so accounts can be issued 	✓	✓	✓	<p>Premiums may increase or decrease and rates may need to be reviewed if the number of lives or benefits insured change by more than 25%.</p> <p>If the change is made on the annual revision date, membership data will be required as standard.</p>
Amend level of commission payable	Written request	<ul style="list-style-type: none"> Additional deposit premium Up to date membership data (see page 1) so accounts can be issued 	✓	✓	Unit rated costed Policies only	<p>Premiums may increase or decrease and rates may need to be reviewed if the number of lives or benefits insured change by more than 25%.</p> <p>If the change is made on the annual revision date, membership data will be required as standard.</p>

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Appendix 2 – Policy changes

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
Changes to the parties to the trust, or replacing the discretionary trust which holds the liabilities insured by the Policy	<ul style="list-style-type: none"> Written confirmation of what has or is expected to happen Completed Change of Policyholder form 	<ul style="list-style-type: none"> We will seek confirmation that no other changes are required; e.g. inclusion of new groups, benefits changes. Any further requirements will be based on any changes 	Possibly	Possibly		The Change of Policyholder form has been designed to make this change easier for all parties involved. However, if this form cannot be completed a new Policy has to be set up. See Appendix 3 for more information. If the benefits or individuals insured change, there may be an impact on the premium rates and cost.
Change of Principal Employer	<ul style="list-style-type: none"> Written confirmation of what has happened, or is expected to take place Completed Change of Policyholder form 	<ul style="list-style-type: none"> We will seek confirmation that no other changes are required; e.g. inclusion of new groups, benefits changes. Any further requirements will be based on any changes 	Possibly	Possibly	Possibly	The Change of Policyholder form has been designed to make this change easier for all parties involved. However, if this form cannot be completed a new Policy has to be set up. See Appendix 3 for more information. If the benefits or individuals insured change, there may be an impact on the premium rates and cost.
Change in name or registered address of any of the companies or organisations insured. Applies to both principal and associated employers	<ul style="list-style-type: none"> Written confirmation of the companies/ organisations involved Companies House number, if appropriate Confirmation of whether the change will affect the normal place of work of those insured 	<ul style="list-style-type: none"> Up to date membership data (see page 1) 	Possibly	Possibly	Possibly	The catastrophic event limit allowed at a location will be limited by our Policy unless otherwise agreed. Premium rates may need to be reviewed if anyone's normal place of work (postcode) alters as a result of the change. An updated Policy will only be issued if the catastrophic event limits allowed or the unit rate, if applicable, changes.
Changing the name of the scheme	<ul style="list-style-type: none"> Written confirmation of the new scheme name as shown on the executed deed of amendment 	None	Not expected		Possibly	

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Appendix 3 – Policy re-writes and hive off Policies

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
Additional accounting Policy	<ul style="list-style-type: none"> Written confirmation of the companies who require separate accounts Up to date membership data (see page 1), split between the companies who require separate accounts 	None	✗	✓	✗	<p>Rates may need to be reviewed if the number of lives or benefits insured change by more than 25%.</p> <p>Membership data will always need to be split if separate accounts are required.</p>
New trust executed which is supplementary to an existing trust	<ul style="list-style-type: none"> Written confirmation of the exact circumstances behind the execution of another trust Confirmation of the governing legislation of the new trust i.e. Registered Occupational Pension Scheme or Excepted How it will affect the existing Policy insured by us including the link, if any, to the new trust Details of who, and what benefits are to be insured under the new Policy, which has to be set up because of the new trust Completed Proposal form 	<ul style="list-style-type: none"> Evidence of insurability (see page 1) for anyone who will be covered for the first time as a result of the change Up to date membership data (see page 1) so that accounts can be issued 	Possibly	✓	✓	<p>If the benefits or the individuals insured change across all linked Policies, there may be an impact on the premium rates and cost.</p>
Circumstances dictate that a Change of Policyholder form cannot be completed e.g. original Trustees are unavailable to sign the form	<ul style="list-style-type: none"> Written confirmation of the exact situation Detail of any new trust which has been executed Confirmation of the governing legislation of the new trust i.e. Registered Occupational Pension Scheme or Excepted How it will affect the existing Policy insured by us Details of who, and what benefits are to be insured under the new Policy, which has to be set up because of the new trust Completed Proposal form 	<ul style="list-style-type: none"> Evidence of insurability (see page 1) for anyone who will be covered for the first time as a result of the change Up to date membership data (see page 1) so that accounts can be issued 	Possibly	✓	✓	<p>If the benefits or the individuals insured change across all linked Policies, there may be an impact on the premium rates and cost.</p>

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Appendix 4 – Risk amendments

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
Change the level of benefit insured	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> – whose benefits are to be amended – the new level of benefit to be insured 	<ul style="list-style-type: none"> Evidence of insurability (see page 1), if the change results in an individual's benefits increasing Up to date membership data (see page 1) 	Premium rates may not change, however the overall cost will change.	✓	✓	<p>We do not impose any evidence of insurability requirements if the change reduces the benefits insured. This could involve Lump Sum and Death in Service Pension benefits.</p> <p>Premium rates may need to be reviewed if the total benefits insured change by more than 25%.</p> <p>Where premiums are calculated on a unit rate basis, we may not amend accounts if the rate does not change, or if the change in total benefits insured is minimal.</p>
Change the definition of earnings considered in the calculation of an individual's benefit	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> – the additional earnings considered – whose earnings are to be amended 	<ul style="list-style-type: none"> Evidence of insurability (see page 1), if the change results in an individual's benefits increasing Up to date membership data (see page 1) 	Premium rates may not change, however the overall cost will change.	✓	✓	<p>We do not impose any evidence of insurability requirements if the change reduces the benefits insured.</p> <p>Premium rates may need to be reviewed if the total benefits insured change by more than 25%.</p> <p>Where premiums are calculated on a unit rate basis, we may not amend accounts if the rate does not change, or if the change in total benefits insured is minimal.</p>

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Appendix 4 – Risk amendments (continued)

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
Add a company or organisation	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> the name of the company or organisation including their Companies House number, if appropriate the number of additional individuals to be insured who is to be insured, the requirements which must be satisfied for them to join and the benefits to be provided, if these are different to the Policy terms already insured 	<ul style="list-style-type: none"> Evidence of insurability (see page 1) for those who are to be covered immediately Up to date membership data (see page 1) 	Possibly	Possibly	Possibly	<p>Premium rates may need to be reviewed. This will depend on the number of lives and benefits to be insured for the new company or organisation.</p> <p>The discretionary trust should detail any additional documentation the Trustees may need to complete.</p>
Remove company or organisation	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> the name of the company or organisation to be removed the date on which cover should cease the number of lives and total benefit which will no longer be covered as a result of the change 	<ul style="list-style-type: none"> Up to date membership data (see page 1) 	Possibly	Possibly	Possibly	<p>Premium rates may need to be reviewed if there is a large decrease in the numbers and/or the total benefits insured.</p> <p>Where premiums are calculated on a unit rate basis, we may not amend accounts if the rate does not change, or if the change in total benefits insured is minimal.</p> <p>An updated Policy will only be issued if benefits are specific to the company/organisation being removed or, if applicable the unit rate changes.</p>

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Appendix 4 – Risk amendments (continued)

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
<p>Add new groups of employees, including mergers, acquisitions and TUPE transfers</p> <p>Such transferees are not considered to be new employees. Further information can be found in Adding an individual to the Policy</p>	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> the name of the company or organisation from which the individuals are transferring whether the benefits are currently insured through a Group Insurance Policy the name of the company or organisation that will hold their new contracts of employment the number of additional individuals to be insured who is to be insured, entry/eligibility criteria which must be satisfied for them to join and the benefits to be provided, if these are different to the Policy terms already insured by us 	<ul style="list-style-type: none"> Evidence of insurability (see page 1) for those who are to be covered immediately Up to date membership data (see page 1) 	Possibly	Possibly	Possibly	<p>Premium rates may need to be reviewed. This will depend on the number of lives and benefits to be insured for the new group being added.</p> <p>Where premiums are calculated on a unit rate basis, we may not amend accounts if the rate does not change, or if the change in total benefits insured is minimal. An updated Policy will only be issued if:</p> <ul style="list-style-type: none"> benefits are specific to the individuals being added the unit rate changes catastrophic event limits change

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Appendix 4 – Risk amendments (continued)

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
The postcode of someone's normal place of work changes (companies or individuals covered)	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> the new postal address number of members and the total benefits insured at the new location number of members and total benefits insured at the previously declared location 	<ul style="list-style-type: none"> Up to date membership data (see page 1). This will be dependent on the location and the numbers who are insured at the new location 	Possibly	Possibly	Possibly	<p>Premium rates may need to be reviewed, this will be dependent on the location and the number of lives who will be insured at the new location.</p> <p>The catastrophic event limit allowed at a location will be limited as advised in our Policy Conditions unless otherwise agreed.</p> <p>Updated accounts will only be issued if the unit rate, if applicable, changes.</p> <p>An updated Policy will only be issued if the unit rate or any of the catastrophic event limits allowed change.</p>
Change the minimum entry age at which someone can be insured	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> minimum age now required details of anyone who will become eligible for the insurance if the change is agreed 	<ul style="list-style-type: none"> Evidence of insurability (see page 1) for anyone who will be eligible for cover immediately 	✗	✗	✓	Assumption that this change will not result in the number of lives and benefits insured changing by more than 25%.
Change the maximum entry age at which someone can be insured	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> maximum age now required details of anyone who will become eligible for the insurance if the change is agreed 	<ul style="list-style-type: none"> Evidence of insurability (see page 1) for anyone who will be eligible for cover immediately 	✗	✗	✓	Assumption that this change will not result in the number of lives and benefits insured changing by more than 25%.

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Appendix 4 – Risk amendments (continued)

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
Change the minimum service requirement before which someone can be insured	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> – minimum service now required – details of anyone who will become eligible for the insurance if the change is agreed 	<ul style="list-style-type: none"> Evidence of insurability (see page 1) for anyone who will be eligible for cover immediately 	✗	✗	✓	Assumption that this change will not result in the number of lives and benefits insured changing by more than 25%.
Change the age at which cover ceases	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> – revised cease age now required – details of anyone who will become eligible/re-eligible for the insurance if the change is agreed 	<ul style="list-style-type: none"> Evidence of insurability (see page 1) for anyone who will be eligible for cover. Up to date membership data (see page 1) 	Possibly	Possibly	✓	<p>Premium rates may need to be reviewed. This will depend on the number of lives and benefits to be insured.</p> <p>Revised accounts will only be issued if the unit rate, if applicable, changes.</p>
Cover continues for anyone who is made redundant	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> – the length of time redundancy cover should be provided (maximum of 2 years) – details of anyone immediately affected by allowing continued cover 	<ul style="list-style-type: none"> Up to date membership data (see page 1) 	✓	✓	✓	Providing this cover will have an immediate impact on the premium rates charged.
Cover continues for anyone who retires early due to ill health	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> – the cease age, if different to that currently provided – details of anyone immediately affected by allowing continued cover 	<ul style="list-style-type: none"> Up to date membership data (see page 1) 	✓	✓	✓	<p>We would expect the pension age for such cover to be linked with the Rules of the Registered Pension scheme where the liabilities for this cover are held.</p> <p>Providing this cover will have an immediate impact on the premium rates charged.</p>

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Appendix 4 – Risk amendments (continued)

Amendment required	Required in all cases	Typical additional requirements (but not limited to the following). These may vary based on the circumstances	Impact on rates/price	Revised accounts required	Updated Policy issued	Comments
Adding Lump Sum or Death in Service Benefits on to an existing Policy	<ul style="list-style-type: none"> Written request confirming: <ul style="list-style-type: none"> – who is to be covered for the additional benefits – entry and cease ages – the method used to calculate the benefit to be insured – any escalation on benefits in payment, if a death in service pension is to be insured – any cover extension for children and/or orphans Details of the trust which holds the liabilities Evidence of insurability (see page 1) Up to date membership data (see page 1). This is required so that a formal quotation can be provided. See What is needed to provide a quote? for further information Deposit premium 	<ul style="list-style-type: none"> These will be confirmed on a case by case basis 	✓	✓	✓	<p>See documents Group Life Lump Sum Benefit Options and Death in Service Pension Benefit Options for further information on what we are able to insure.</p> <p>If the liabilities are held under a different trust a new Policy will have to be created. See Appendix 3 for further information.</p> <p>See document When can the Policy be cancelled? if lump sum or death in service benefits are to no longer be needed.</p>
Adding cover for children and/or orphans on to a death in service pension	<ul style="list-style-type: none"> Written request confirming what additional benefits are to be insured Up to date membership data (see page 1) so that premium rates can be reviewed Evidence of insurability (see page 1) 	<ul style="list-style-type: none"> Up to date membership data (see page 1) 	✓	✓	✓	<p>Children's benefits can only be insured if the death in service pension is costed on a unit rate basis.</p> <p>Providing this cover will have an immediate impact on the premium rates charged.</p>
Amending the level of escalation for a death in service pension	<ul style="list-style-type: none"> Written request confirming the new level of escalation required Up to date membership data (see page 1) so that premium rates can be reviewed Evidence of insurability (see page 1), if the amount increases 		✓	✓	✓	<p>The liabilities of the trust should be considered when amending the Policy.</p>